

**ELECTRONICALLY FILED**  
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STUTMAN, TREISTER & GLATT, P.C.  
 JEFFREY H. DAVIDSON  
 (CA State Bar No. 73980)  
 FRANK A. MEROLA  
 (CA State Bar No. 136934)  
 EVE H. KARASIK  
 (CA State Bar No. 155356), Members of  
 1901 Avenue of the Stars, 12<sup>th</sup> Floor  
 Los Angeles, California 90067  
 Telephone: (310) 228-5600  
 Facsimile: (310) 228-5788  
 Email: [jdavidson@stutman.com](mailto:jdavidson@stutman.com)  
[fmerola@stutman.com](mailto:fmerola@stutman.com)  
[ekarasik@stutman.com](mailto:ekarasik@stutman.com)

SHEA & CARLYON, LTD.  
 JAMES PATRICK SHEA  
 (Nevada State Bar No. 000405)  
 CANDACE C. CARLYON  
 (Nevada State Bar No. 002666)  
 SHLOMO S. SHERMAN  
 (Nevada State Bar No. 009688)  
 233 South Fourth Street, Second Floor  
 Las Vegas, Nevada 89101  
 Telephone: (702) 471-7432  
 Facsimile: (702) 471-7435  
 Email: [jshea@sheacarlyon.com](mailto:jshea@sheacarlyon.com)  
[ccarlyon@sheacarlyon.com](mailto:ccarlyon@sheacarlyon.com)  
[ssherman@sheacarlyon.com](mailto:ssherman@sheacarlyon.com)

Counsel for the Official Committee Of Equity Security Holders  
 of USA Capital First Trust Deed Fund, LLC

**UNITED STATES BANKRUPTCY COURT**  
**DISTRICT OF NEVADA**

In re: ) BK-S-06-10725-LBR  
 USA COMMERCIAL MORTGAGE COMPANY, ) Chapter 11  
 Debtor. )

In re: ) BK-S-06-10726-LBR  
 USA CAPITAL REALTY ADVISORS, LLC, ) Chapter 11  
 Debtor. )

In re: ) BK-S-06-10727-LBR  
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, ) Chapter 11  
 Debtor. )

In re: ) BK-S-06-10728-LBR  
 USA CAPITAL FIRST TRUST DEED FUND, LLC, ) Chapter 11  
 Debtor. )

In re: ) BK-S-06-10729-LBR  
 USA SECURITIES, LLC, ) Chapter 11  
 Debtor. )

Affects )

- ☒ All Debtors )  
☐ USA Commercial Mortgage Co. )  
☐ USA Securities, LLC )  
☐ USA Capital Realty Advisors, LLC )  
☐ USA Capital Diversified Trust Deed )  
☐ USA First Trust Deed Fund, LLC )

**OST REQUESTED FOR:**

DATE: February 15, 2007  
 TIME: 9:30 a.m.

**AFFIDAVIT OF SHLOMO S. SHERMAN, ESQ. IN SUPPORT OF EX PARTE APPLICATION**  
**FOR ORDER SHORTENING TIME ON MOTION BY THE OFFICIAL COMMITTEE OF**  
**EQUITY HOLDERS OF USA CAPITAL FIRST TRUST DEED FUND LLC TO ESTIMATE**  
**AMOUNTS OF CONTINGENT AND UNLIQUIDATED CLAIMS FOR THE PURPOSE OF**  
**ESTABLISHING AN ADEQUATE RESERVE AND PERMITTING FURTHER DISTRIBUTION**  
**TO MEMBERS**

1 STATE OF NEVADA )  
2 ) ss.  
3 COUNTY OF CLARK )

4 Shlomo S. Sherman, Esq., first being duly sworn according to law, hereby deposes,  
5 swears and states:

6 1. I am counsel of record for The Official Committee of Equity Security Holders of  
7 USA Capital First Trust Deed Fund, LLC (the "FTDF Committee") in the above captioned  
8 matter.  
9

10 2. I make this affidavit in support of the Ex Parte Application For Order Shortening  
11 Time On Motion By the Official Committee of Equity Holders of USA Capital First Trust Deed  
12 Fund LLC to Estimate Amounts of Contingent and Unliquidated Claims for the Purpose of  
13 Establishing an Adequate Reserve and Permitting Further Distribution (the "Application").  
14

15 3. Pursuant to Distributions Order and Confirmed Plan, distributions to FTDF  
16 Members were to have been made in January, 2007, for the month of December, 2006, and in  
17 February, 2007 for the month of January, 2007.

18 4. FTDF has not been able to establish a sufficient reserve due to the number of  
19 unliquidated and/or disputed claims that have yet to be either liquidated or disallowed. While  
20 FTDF has interposed objections to many of the claims, the hearings are scheduled for various  
21 dates from mid-February through March, 2007.  
22

23 5. As a result, the FTDF Members have not received an interim distribution since  
24 September, 2006.

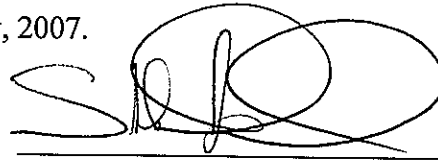
25 6. On an interim basis, Claimants are well protected by the remaining loan portfolio,  
26 in excess of \$49 million.

27 7. For the above reasons, the FTDF Committees respectfully requests that the Court  
28 grant the Application and set the hearing on the Motion and related documents on shortened

1 time, in order to expedite the estimation of claims and distribution of authorized payments to the  
2 FTDF Members.

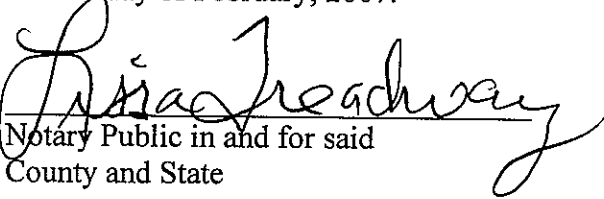
3 8. For the above reasons, the Official Committees respectfully requests that the  
4 Court set the hearing on the Motion and related documents on shortened time.  
5

6 DATED this 2<sup>nd</sup> day of February, 2007.

7 

8 SHLOMO S. SHERMAN, ESQ.

9 Subscribed and sworn to before me  
10 this 2<sup>nd</sup> day of February, 2007.

11   
12 Notary Public in and for said  
13 County and State

